THE MINISTER OF STATE INTHE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI SATYA BRATA MOOKHERJEE): (a) to (c) Fertilizer companies, being commercial entities, undertake upgradation/modemisation of their plants out of their own resources and/or by raising resources from the market, in order to remain competitive and viable in the changing techno-economic scenario. However, in case of loss making public sector undertakings, Government provides limited plan support to enable such undertakings undertake essential renewals/replacements in their plants. The details of the plan support provided by the Government to the public sector undertakings during the year 2000-01 are given below:

Name of the Public Sector Undertakings	Plan support (Rs. crore)
Fertilizer Corporation of India Ltd.	20.00
Hindustan Fertilizer Corporation Ltd.	57.00
Fertilizers And Chemicals Travancore Ltd.	40.00
Madras Fertilizers Ltd.	20.24
Projects & Development India Ltd.	1.00
Paradeep Phosphates Ltd.	12.48

Production of Urea in private factories

† 2771. SHRI BRATIN SENGUPTA: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether all the fertilizer factories in private sector are producing Urea to their full capacity;

(b) if not, the reasons therefor;

(c) the action proposed to be taken for production of Urea and DAP according to the full capacity, for meeting the domestic demand; and

(d) the factors responsible for disheartening performance by private sectors?

THE MINISTER OF STATE INTHE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI SATYA BRATA MOOKHERJEE): (a), (b) and (d) Some private companies have had a marginal shortfall in the production of urea in the recent past. However, the cumulative average capacity utilization of private

† Original notice of the question was received in Hindi.

sector urea manufacturers during 2000-01 was the tune of 98.8% and about 97% during April to July, 2001 .The main reasons for the shortfall in production were, *inter-alia,* inadequate quantity and quality of natural gas in all the gas-based plants, unscheduled shut down due to equipment break downs and non-availability of Co2.

(c) To optimise the production up to full capacity of urea and DAP, the steps taken are, *inter-alia,* retrofitting/revamping of the existing plants and installation of dual fuel/feedstock facilities in the existing plants to overcome the inadequate supply of gas, besides making efforts to increase the gas supply perse.

Fertilizer concession schemes

2772. SHRI NANA DESHMUKH: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether Government have issued fresh guidelines to rationalise and simplify fertilizer concession schemes;

(b) if so, what are the details thereof; and

(c) what steps have been taken to augment the production of various fertilizers and making available fertilizers to fanners at affordable prices?

THE MINISTER OF STATE INTHE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI SATYA BRATA MOOKHERJEE): (a) to (c) Fresh guidelines laying down the revised procedure for submission of bills for payment/recoveries in respect of sales of de-controlled phosphatic and potassic fertilizers under the Concession Scheme have been issued on 17.5.2001 by the Department of Fertilizers. To expedite processing of claims as also to reduce the time lag between sales and release of concession, the procedure for certification of sales has been rationalised. The full text of the revised guidelines is also available on Internet (http://fert.nic.in).

As per the Industrial policy resolution dated 24th July, 1991, no license in required for setting up/expansion of fertilizer plants. Entrepreneurs are free to set up fertilizer projects anywhere in the country subject to environmental acceptance. However, the Government of India has been providing incentives for augmenting indigenous fertilizer production which *inter-alia* include:

(i) Import of capital goods for setting up of new plants/modernisation of existing units at a concessional rate of custom duty.